

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF TEXAS
SHERMAN DIVISION**

In re:

SAIBABA HOTELS, LLC,
7417 HIDDEN COVE LANE
FRISCO, TX 75034
EIN XXXX5240

Debtor.

§
§
§
§
§
§
§
§

**Case No. 23-40703
Chapter 11**

**JOINT MOTION OF DEBTOR SAIBABA HOTELS, LLC, RAMAKRISHNA KROTHAPALLI, AND
CREDITOR COUTURE HOTEL CORPORATION TO DISMISS CHAPTER 11 CASE**

14-DAY NEGATIVE NOTICE – LBR 1017(b):

Your rights may be affected by the relief sought in this pleading. You should read this pleading carefully and discuss it with your attorney, if you have one in this bankruptcy case. If you oppose the relief sought by this pleading, you must file a written objection, explaining the factual and/or legal basis for opposing the relief.

No hearing will be conducted on this Motion unless a written objection is filed with the Clerk of the United States Bankruptcy Court and served upon the party filing this pleading **WITHIN FOURTEEN (14) DAYS FROM THE DATE OF SERVICE** shown in the certificate of service unless the Court shortens or extends the time for filing such objection. If no objection is timely served and filed, this pleading shall be deemed to be unopposed, and the Court may enter an order granting the relief sought. If an objection is filed and served in a timely manner, the Court will thereafter set a hearing with appropriate notice. If you fail to appear at the hearing, your objection may be stricken. The Court reserves the right to set a hearing on any matter.

NOW COMES Saibaba Hotels, LLC (the “Debtor”), the Debtor and Debtor-in-Possession, in the above styled and numbered case (the “Bankruptcy Case”), party in interest Ramakrishna Krothapalli (“Krothapalli”), and creditor Couture Hotel Corporation (“Couture”) and file this Joint

Motion to Dismiss Chapter 11 Case (the “Motion to Dismiss”) pursuant to Bankruptcy Code § 1112(b), and would respectfully show the Court as follows:

I. PROCEDURAL AND FACTUAL BACKGROUND

1. The Debtor filed a voluntary petition on April 24, 2023, under Chapter 11 of Title 11 of the Bankruptcy Code.

2. On May 24, 2023, Couture filed Proof of Claim No. 7. *See* Claim 7-1.

3. On July 20, 2023, the Debtor and Krothapalli filed objections to Couture’s proof of claim. *See* Docket Nos. 45 and 46.

4. On July 24, 2023, the Debtor filed its Plan of Reorganization. *See* Docket No. 47.

5. On July 28, 2023, the Court entered an Order Setting Plan Related Deadlines and Hearing on Confirmation. *See* Docket No. 49.

6. In related but separate proceedings, the Debtor, Krothapali, and Couture have been engaged in litigation, removal, remand, and transfer proceedings. On July 20, 2023, Krothapalli removed the case previously pending in the 68th Judicial District Court of Dallas County Texas (the “State Court”)¹ to the United States District Court for the Northern District of Texas. Krothapalli subsequently filed a Motion for Transfer to the Eastern District of Texas. On August 3, 2023, Couture filed a Motion for Remand and subsequently filed a Motion to Enforce the Order of Reference to Bankruptcy Court. Krothapalli has not yet responded to the Remand Motion and Couture has not yet responded to the Transfer Motion. On August 19, 2022, the parties jointly filed a Motion to Abate the case pending in the Northern District until November

¹ *Couture Hotel Corporation v. Saibaba Hotels, LLC, et. al*, Cause No. DC-19-05050.

1, 2023, so the parties could attend mediation. The court entered the Agreed Order on Joint Motion to Abate on August 22, 2023.

7. In this case, on August 19, 2023, the Debtor, Krothapalli, and Couture filed a Joint Motion for Continuance and Entry of Schedule Order on Confirmation and Claim Objections to Claim No. 7, which the Court granted on August 23, 2023.

8. As of October 28, 2023, the Debtor, Krothapalli and Couture have been able to resolve the disputes among them through mediation with the Hon. Harlin D. Hale (Ret.), including regarding plan confirmation and allowance and treatment of Proof of Claim No. 7. The parties executed a settlement agreement on January 12, 2024 (the "Settlement Agreement"). The Settlement Agreement does not affect any other parties or creditors of the Debtor.

II. RELIEF REQUESTED AND BASIS FOR RELIEF

9. The Debtor seeks dismissal of this case pursuant to 11 U.S.C. § 1112(b).

10. The Bankruptcy Code provides that the Court shall, after notice and hearing, dismiss a Chapter 11 case "for cause" where doing so is in the best interests of the creditors and the estate. 11 U.S.C. § 1112(b)(1); see Fed. R. Bankr. P. 1017(a).

11. Dismissal of this Chapter 11 case would be in the best interests of the creditors and the estate. This case was originally filed after years of litigation between the Debtor, Krothapalli, and Couture in the State Court case. While there are other creditors, Couture's claim is by far the largest, and the Settlement Agreement resolves the issues among the parties.

12. The Settlement Agreement efficiently resolves all disputes between the Debtor and Couture, making this bankruptcy case no longer necessary. The dismissal here is voluntary,

agreed upon by the largest creditor to the estate, approved by the second largest creditor of the estate, and will not prejudice any other creditors.

III. NOTICE

13. The Debtor will provide notice of this Motion to Dismiss to the following: (a) the U.S. Trustee; (b) the Subchapter V Trustee (c) counsel for Couture (d) any party who has filed a request for notice in the above-captioned case; and (e) all parties shown on the attached Matrix Service List.

WHEREFORE, the Debtor, Krothapalli, and Couture respectfully request entry of an order granting the relief requested herein, and granting such other and further relief as may be just.

Respectfully submitted,

Dated: **January 12, 2024**

/s/ Robert T. DeMarco

DeMarco•Mitchell, PLLC

Robert T. DeMarco, Texas Bar No. 24014543

Email robert@demarcomitchell.com

500 N. Central Expressway, 500

Plano, TX 75074

T 972-578-1400

F 972-346-6791

Counsel for Debtor and Debtor in Possession

	<u>/s/ Mark Castillo</u>
	Mark A. Castillo (markcastillo@ccsb.com) State Bar No. 24027795 Joshua D. Kipp (jkipp@ccsb.com) State Bar No. 24078793 Robert C. Rowe (rrowe@ccsb.com) State Bar No. 24086253 CARRINGTON, COLEMAN, SLOMAN & BLUMENTHAL, L.L.P. 901 Main Street, Suite 5500 Dallas, Texas 75202 (214) 855-3000 – Telephone (214) 580-2641 – Facsimile Counsel for Party in Interest Ramakrishna Krothapalli

	<i>/s/ Jason Kathman</i>
	Jason Kathman (jkathman@spencerfane.com) State Bar No. 24070036 SPENCER FANE LLP 5700 Granite Parkway, Suite 650 Plano, Texas 75024 (972) 324-0370 – Telephone Counsel for Creditor Couture Hotel Corporation

CERTIFICATE OF SERVICE

The undersigned counsel hereby certifies that true and correct copies of the foregoing pleading and all attachments were served upon all parties listed below in accordance with applicable rules of bankruptcy procedure on this **12th day of January, 2024**. Where possible, service was made electronically via the Court's ECF noticing system or via facsimile transmission where a facsimile number is set forth below. Where such electronic service was not possible, service was made via regular first-class mail.

DEBTOR

Saibaba Hotels, LLC,
7417 Hidden Cove Lane
Frisco, TX 75034

TRUSTEES

Office of the United States Trustee
110 North College Avenue, Room 300
Tyler, Texas 75702

Scott Seidel (SBRA V)
Sub V Chapter Trustee
6505 West Park Boulevard, 306
Plano, TX 75093

ADDITIONAL PARTIES IN INTEREST AND/OR PARTIES REQUESTING NOTICE

SEE ATTACHED MATRIX

/s/ Robert T. DeMarco

DeMarco•Mitchell, PLLC

Robert T. DeMarco, Texas Bar No. 24014543

Email robert@demarcomitchell.com

Michael S. Mitchell, Texas Bar No. 00788065

Email mike@demarcomitchell.com

500 N. Central Expressway, 500

Plano, TX 75074

T 972-578-1400

F 972-346-6791

Label Matrix for local noticing

0540-4

Case 23-40703

Eastern District of Texas

Sherman

Fri Jan 12 15:55:31 CST 2024

Booking.com

28 Liberty St FL 29

New York, NY 10005-1499

ANAND SYSTEMS, INC

35 E 10th St.

Tracy, CA 95376-4058

Brightspeed

1120 South Tryon Street

Charlotte, NC 28203-6817

ATT

208 S. Akard St.

Dallas, TX 75202-4295

COMMUNITY COFFEE

12120 Colonel Glenn Rd, Ste 2000

Little Rock, AR 72210-2838

DFW MOTEL SUPPLY TEXTILE

4220 Shilling Way

Dallas, TX 75237-1023

DIRECTV SERVICE

2230 E Imperial Hwy Fl 10

El Segundo, CA 90245-3502

EAST CEDAR CREEK WATER DIRECT

115 Hammer R.

Gun Barrel City, TX 75156-5220

Eco Lab

2305 Sherwin St.

Garland, TX 75041-1299

Expedia Group

1111 Expedia Group Way W.

Seattle, WA 98119-1111

FERRELL GAS LP

161 Eldorado Pkwy

McKinney, TX 75069

Henderson County

c/o Julie Parsons

P.O. Box 1269

Round Rock, TX 78680-1269

JPMorgan Chase Bank, N.A. s/b/m/t Chase Bank

P.O. Box 9013

Addison, TX 75001-9013

Kaufman County

Linebarger Goggan Blair & Sampson, LLP

c/o John Kendrick Turner

2777 N. Stemmons Freeway

Suite 1000

Dallas, TX 75207-2328

Level3 Communications

1025 ELDORADO BLVD.

Broomfield, TX 80021-8249

Muni Services LLC

TX Hotel Occupancy Tax

PO Box 830725

Birmingham, AL 35283-0725

NEW CARBON B TO B

4101 William Richardson Drive

South Bend, IN 46628-9485

PS PAY, INC

6500 Greenville Ave 515

Dallas, TX 75206-1027

Pilgrim Bank

c/o Scott Ritcheson

Ritcheson, Lauffer & Vincent, P.C.

821 ESE Loop 323, Ste. 530

Tyler, TX 75701-9779

REPUBLIC SERVICES TRASH

801 E College Street

Lewisville, TX 75057-4077

SHIFT4

2202 N Irving St.

Allentown, PA 18109-9554

Saibaba Hotels, LLC

7417 Hidden Cove Lane

Frisco, TX 75034-0682

Sonesta Intl.

400 Centre St.

Newton, MA 02458-2094

TKELEVATOR CORP

4355 Excel Pkwy, Ste 800

Addison, TX 75001-5605

Tara Energy

P.O. Box 301438

Dallas, TX 75303-1410

Plano - U. S. Bankruptcy Court

Suite 300B

660 North Central Expressway

Plano, TX 75074-6795

Anuradha Puligundla

7417 Hidden Cove Ln.

Frisco, TX 75034-0682

Attorney General of the United States

Main Justice Bldg., Rm. 5111

10th & Constitution Ave. N.W.

Washington, DC 20503-0001

Centurylink Communications, LLC

Centurylink Communications, LLC.

1025 El Dorado Blvd. (Attn:Legal-BKY)

Broomfield, CO 80021-8249

Couture Hotel Corporation
c/o Justin Strother
909 Fannin Street, 37th Floor
Houston, Texas 77010-1014

Couture Hotel Corporation
c/o Justin Strother
Strother Law Firm
3000 Wesleyan St. Ste. 348
Houston, TX 77027-5753

EAST CEDAR CREEK WATER DIRECT
115 Hammer Rd,
Gun Barrel City, TX 75156-5220

Expedia
1111 Expedia Group Wy W
Seattle, WA 98119-1111

Henderson County Occupancy Tax
125 N. Prairieville St., Suite 103
Athens, TX 75751-2070

Henderson County Property Tax
125 N. Prairieville St., Suite 103
Athens, TX 75751-2070

Internal Revenue Service
1100 Commerce Street
MC5026 DAL
Dallas, TX 75242

Internal Revenue Service
Central Insolvency Operations
PO Box 7346
Philadelphia, PA 19101-7346

Internal Revenue Service
Centralized Insolvency Operations
PO Box 7346
Philadelphia, PA 19101-7346

Internal Revenue Service
P.O. Box 7346
Philadelphia, PA 19101-7346

JPMorgan Chase Bank, N.A.
s/b/m/t Chase Bank USA, N.A.
c/o National Bankruptcy Services, LLC
P.O. Box 9013
Addison, Texas 75001-9013

Kaufman County Property Tax
P.O. Box 339
Kaufman, TX 75142-0339

Level3 Communications
1025 ELDORADO BLVD.
Broomfield, CO 80021-8249

Office of the Attorney General
Bankruptcy-Collections Division
Po Box 12548
Austin, TX 78711-2548

Office of the United States Trustee
110 N College Ave Ste 300
Tyler, TX 75702-7231

Pilgrim Bank
2401 South Jefferson Ave.
Mount Pleasant, TX 75455-5960

Ramakrishna Krothapalli
7417 Hidden Cove Lane
Frisco, TX 75034-0682

TACS
5420 LBJ Freeway, Suite 900
Dallas, TX 75240-6284

Texas Alcoholic Beverage Commission
License and Permits Division
Po Box 13127
Austin, TX 78711-3127

(p)TEXAS COMPTROLLER OF PUBLIC ACCOUNTS
REVENUE ACCOUNTING DIV - BANKRUPTCY SECTION
PO BOX 13528
AUSTIN TX 78711-3528

Texas State Comptroller
Texas Attorney General
PO Box 12548
Austin, TX 78711-2548

Texas Workforce Commission
101 E. 15th Street, Rm 556
Austin, TX 78778-0001

Texas Workforce Commission
TEC Building - Bankruptcy
101 E 15th St
Austin, TX 78778-1442

The County of Henderson, Texas
c/o McCreary, Veselka, Bragg & Allen
P.O. Box 1269
Round Rock, TX 78680-1269

(p)HUD OGC REGION VI
TIMOTHY E FEELEY
307 W SEVENTH ST SUITE 1000
FT WORTH TX 76102-5108

U.S. Dept. of Veterans Affairs
Regional Office, Finance Section (24)
701 Clay Ave
Waco, TX 76799-0001

U.S. Securities & Exchange Comm.
Fort Worth Regional Office
801 Cherry St Ste 1900 Unit 18
Fort Worth, TX 76102-6819

U.S. Small Business Administration
150 Westpark Way Ste 130
Euless, TX 76040-3705

US Trustee
Office of the U.S. Trustee
110 N. College Ave.
Suite 300
Tyler, TX 75702-7231

United States Attorney
110 North College Ave. Ste. 700
Tyler, TX 75702-0204

Williams Pest Control
1428 S 3rd St.
Mabank, TX 75147-7580

Robert DeMarco III
DeMarco-Mitchell, PLLC
1255 West 15th St., 805
Plano, TX 75075-7225

Document Page 8 of 9

Scott SEIDEL (SBRA V)
Sub V Chapter Trustee
6505 West Park Boulevard
Ste. 306
Plano, TX 75093-6212

The preferred mailing address (p) above has been substituted for the following entity/entities as so specified by said entity/entities in a Notice of Address filed pursuant to 11 U.S.C. 342(f) and Fed.R.Bank.P. 2002 (g) (4).

Texas Comptroller of Public Accounts
Bankruptcy Section
Po Box 13528
Austin, TX 78711-3528

U.S. Department of HUD
307 W. 7th Street Suite 1000
Fort Worth, TX 76102

The following recipients may be/have been bypassed for notice due to an undeliverable (u) or duplicate (d) address.

(u)Couture Hotel Corporation

(d)ANAND SYSTEMS INC
35 E 10th St.
Tracy, CA 95376-4058

(d)ATT
208 S. Akard St.
Dallas, TX 75202-4295

(d)Booking.com
28 Liberty St FL 29
New York, NY 10005-1499

(d)Brightspeed
1120 South Tryon Street
Charlotte, NC 28203-6817

(d)COMMUNITY COFFEE
12120 Colonel Glenn Rd, Ste 2000
Little Rock, AR 72210-2838

(d)DFW MOTEL SUPPLY TEXTILE
4220 Shilling Way
Dallas, TX 75237-1023

(d)DIRECTV SERVICE
2230 E Imperial Hwy Fl 10
El Segundo, CA 90245-3502

(d)Eco Lab
2305 Sherwin St.
Garland, TX 75041-1299

(d)FERRELL GAS LP
161 Eldorado Pkwy
Mckinney, TX 75069

(d)Kaufman County
Linebarger Goggan Blair & Sampson, LLP
c/o John Kendrick Turner
2777 N. Stemmons Freeway
Suite 1000
Dallas, TX 75207-2328

(d)Muni Services LLC
TX Hotel Occupancy Tax
PO Box 830725
Birmingham, AL 35283-0725

(d)NEW CARBON B TO B
4101 William Richardson Drive
South Bend, IN 46628-9485

(d)PS PAY, INC
6500 Greenville Ave 515
Dallas, TX 75206-1027

(d)REPUBLIC SERVICES TRASH
801 E College Street
Lewisville, TX 75057-4077

(d)SHIFT4
2202 N Irving St.
Allentown, PA 18109-9554

(d)Sonesta Intl.
400 Centre St.
Newton, MA 02458-2094

(d)TARA ENERGY
PO Box 301438
Dallas, TX 75303-1438

(d)TKELEVATOR CORP
4355 Excel Pkwy, Ste 800
Addison, TX 75001-5605

(u)Anuradha Puligundla
Document Page 9 of 9

(u)Ramakrishna Krothapalli

End of Label Matrix	
Mailable recipients	62
Bypassed recipients	21
Total	83